Summer 2002 Electric Reliability

Central Illinois Light Company Presented By: Scott Cisel May 8, 2002 Summary

- Forecasted 20% Operating Reserve in 2002.
- No sub-transmission lines, distribution Feeders or substation transformers estimated to be loaded 100% or greater.

Expected Peak Summer Load 2002

- 1228 Megawatts (July)
 - CILCO uses a model developed by Regional Economic Research, INC. (RER).
 - Includes regression and neural network statistical analysis.
 - Includes weather variables and economic growth trends.
 - Individual customer surveys are conducted representing approximately 50% of the aggregate non-residential load.

Possible "Worse-Case" Expected Peak Summer Load

■ 1294 Megawatts

- Peak determined using a multiple scenario approach.
- Forecasting model was simulated with the actual weather that occurred for each of the years 1970 to 2001, resulting in 30 alternative scenarios.
- Largest monthly peak value from these scenarios was determined to be the "worse-case" peak.
- "Worse-Case" peak fell in August and was simulated using the hottest weather

from the last 30 years.

2002 Expected Resources Transmission System Reliability

- No transmission facilities anticipated to be loaded above 100% during expected or worse case peak.
 - Based on results of the NERC Planning Standards Assessment under normal conditions, single contingencies, multiple contingencies, and extreme contingencies.
 - Assessment performed during 2001 for year 2002.
 - Assessment performed during 2002 for year 2003.

Sub-transmission, Substation and Feeder Reliability

- No sub-transmission lines, distribution feeders or substation transformers estimated to be loaded 100% or greater.
 - Three phase loadings estimated by examining previous five years of loading history.
 - New business development for 2002 included in examination.
 - Worse case loading conditions could not be determined.

Scheduled Maintenance May 15, 2002 - September 15, 2002

- Sterling Peaking Units
 - Scheduled May 19th June 1st
 - Total 30 MWs

Adequate Supply to Customers' Loads

- CILCO OASIS activities transferred from MAIN to the Midwest Independent System Operator.
- CILCO not aware of any transmission limitations which would inhibit adequate supply to load.
- MAIN 2002 Summer Transmission Assessment Study did not reveal any CILCO transmission facilities as limiting elements to power transfer.
- No sub-transmission lines, distribution feeders or substation transformers anticipated to limit power flows to customers' loads.